<u>REMARKS</u>

Reconsideration is respectfully requested.

Claims 1, 13-22, 31-33, 35, 44-53 and 62 stand rejected. Claims 2-12, 23-30, 34, 36-43 and 54-61 were objected to as being dependent on a rejected base claim but would be allowable if rewritten in independent form. Claim 63 was allowed.

By the present amendment, objected to claim 2 has been rewritten in independent form by incorporating all of the limitations of claim 1 therein, and claim 1 has been canceled. Dependent claims 13, 18, 19, 21, 23, 31 and 33 have been amended to change dependency from canceled claim 1 to amended claim 2.

Claim 33 has also been rewritten in independent form by incorporating all of the limitations of claim 32 therein. Although claim 33 was not listed among the claims that were objected to, it appears that it should have been insofar as it parallels the limitations of objected to claim 2, the difference being that claim 2 is a method claim and claim 33 is a system claim. Although the rejection of claim 33 under 35 U.S.C. 102(e) based on Graham (US 6,097,722) asserts that Graham discloses the claimed subject matter (Fig. 2 and column 7, lines 25-35 and 48-62), applicant can find no reference such subject matter in the reference. As set forth in claim 33, the claim requires "a broadband bandwidth allocation pricer that is responsive to broadband bandwidth demand and availability factors, said pricer being linked to said allocation adjuster, and said allocation adjuster being responsive to acceptance of bandwidth allocation pricing set by said bandwidth allocation pricer by said requestor."

The cited portions of Graham make only general reference to a service contract being checked to determine client resource requirements for the allocation of available bandwidth for virtual paths and virtual channels. This does not entail bandwidth price setting (based on

broadband bandwidth demand and availability factors) and conditioning (acceptance of bandwidth allocation pricing) as recited in claim 33. See column 7, lines 52-56. Column 7, lines 56-60 of Graham makes further reference to additional allocations being negotiated by clients using virtual path resizings to addiadditional capacity needed to address requirements exceeding service contract levels. This passage also makes no reference to the requirements of claim 33. A further passage of Graham (spanning solumn 9, lines 26-32) discusses checking a service contract to determine what to charge the client for a call as part of call setup. Again, however, there is no mention of the limitations of claim 33. At best, Graham teaches charging for a call, but he does not teach charging for bandwidth based on pricing set in accordance with broadband bandwidth demand and availability factors, and conditioned upon acceptance thereof by a requestor. As such, amended independent claim 33 and its progeny (claims 34-62) should all be allowable.

In view of the foregoing, Applicant respectfully requests that all rejections be withdrawn and that Notices of Allowability and Allowance be duly issued.

Respectfully submitted,

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